

Weather Forecast

Cloudy with strong winds. High near 45 today, low about 28 tonight. Tomorrow, cloudy, cold, rain or snow in afternoon or at night. (Full report on Page A-2)

Noon...41 6 p.m....42 11 p.m....38
2 p.m....42 8 p.m....39 Midnight 35
4 p.m....43 10 p.m....38 1 a.m....34

The Sunday Star

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House Democrats Vote, 176-48, To Cut Rules Committee Powers; Battle Due on Floor Tomorrow

Issue Will Test G. O. P. Coalition With Southerners

RENT CONTROL, HOUSING get priority pending congress study of inflation. Page A-2.

By J. A. O'Leary

House Democrats voted, 176 to 48, last night to curb the powers of the Rules Committee—a move designed to clear the tracks for the program President Truman will send to the 81st Congress.

This set the stage for a showdown on the issue as soon as the new Democratic-controlled Congress convenes tomorrow. The entire House will vote on the proposal and this will provide an immediate test of strength to find out whether a coalition of Republicans and Southern Democrats will be able to side-track legislation in 1949, as it has in the past.

Although a motion to adjourn ended the four-hour Democratic caucus last night before the future of the committee on Un-American Activities was raised, Representative Walter of Pennsylvania, committee chairman, predicted at least two moves relating to the makeup and future functioning of that committee will be made in the House tomorrow.

Message Stated Wednesday. President Truman will give this 81st Congress the first glimpse of what he wants it to do in his State-of-the-Union message Wednesday, followed some days later by his budget proposals. A third message on the economic problems of the day will follow in the early days of the session.

Repeat of the Taft-Hartley labor law, broader social security coverage, tax revision, inflation controls and continued foreign aid are expected to be among the major issues Mr. Truman will present to this Congress, which brings the Democrats back into control at the Capitol after two years of divided management between a Democratic administration and a Republican-controlled Congress.

As the curtain rises on the new session the Democrats have a majority of 91 in the House and 12 in the Senate. Nevertheless, by deciding last night to go to bat on a vital change in procedure, administration leaders recognized that their mathematical majority might be ineffective unless an easier means was found to get legislation to the floor.

Rayburn Is Nominated. Before plunging into the rules fight yesterday, the House Democrats carried out advance predictions by nominating Representative Rayburn of Texas for Speaker and Representative McCormack of Massachusetts for majority floor leader—posts they held in the Democratic Seventy-ninth Congress.

The proposed new process for preventing the Rules Committee from sidetracking a bill on its way to the floor after a regular committee has approved it was offered by Mr. McCormack, and differs from the various advance suggestions discussed last week.

It provides that if the Rules Committee fails to act within 21 calendar days, or reports adversely to the House, the chairman of the committee which handled the bill originally could move in the House to have the subject taken up, and a majority of those present and voting at the time would decide the issue.

As the rules now stand there is a way of forcing a bill out of the Rules Committee, but it requires a majority of the entire membership of the House—218—to sign their names to a discharge petition, which is not always an easy task to accomplish.

Faces Republican Battle. The new rule would make it much simpler. The chairman of the committee in charge of any major controversial bill being delayed in the Rules Committee could be recognized by the Speaker to bring the situation to the attention of the House, without a signed petition, and let a majority decide whether the bill should be taken up by the House. As long as a quorum was present, a majority of those voting would be sufficient.

The new rule, however, faces its biggest hurdle in the House tomorrow. The Republicans undoubtedly will welcome the opportunity to stage a battle over the rules on opening day.

There are 171 Republicans in the new House, and all of them with the 48 Democrats who opposed the new rule in their party caucus last night, the coalition would have 219—one more than a majority of the entire House.

Administration forces, however, are counting on two factors to help them win. First, that the Republicans will not vote solidly; second, that all of the 48 Democrats who opposed the change in party caucus will not continue to hold out against the leadership on the floor tomorrow.

38 Fail to Vote in Caucus. There is another unknown quantity. Thirty-eight Democrats did not vote in the party caucus last night, and how they divide on the question could be decisive.

Representative Walter told reporters it is his judgment as chairman of the caucus that the vote in favor of the new rule is binding on all Democrats who took part in the caucus, because it carried by more than two-thirds.

Representative Smith of Virginia, a veteran member of the Rules Committee, said:

Taft Backers See Lodge's Defeat In Conference Vote Tomorrow

3-to-2 Margin Forecast for Ohioan in Fight To Retain Leadership of G. O. P. Policy Group

By Gould Lincoln

Supporters of Senator Taft yesterday expressed confidence that the efforts of the Republican "young Turks" to supplant him with Senator Lodge of Massachusetts as chairman of the Senate Republican Policy Committee.

One of Senator Taft's chief backers forecast that the vote in tomorrow's meeting of the Senate Republican Conference would be 3 to 2 in favor of Senator Taft.

The leaders of the self-styled liberal Republican Senators are determined to push their plan to give the Republican Party a new look. One of them said at least 15 Senators are lined up to go along with Senator Lodge out of the 42 Republicans. But they have to gain

seven more adherents to hold the majority and put Senator Lodge across. There was feverish button-holding by both sides on the eve of the conference.

The old guard faction insisted that the Republican organization of the Senate will be as follows: Senator Taft as chairman of the Policy Committee.

Sensor Millikin of Colorado continuing as chairman of the Republican Conference.

Sensor Wherry of Nebraska as Republican floor leader.

And probably Senator Saltonstall of Massachusetts as Republican whip.

selection of Senator Saltonstall for whip, if it goes through, would be in a measure a sop to the younger group. Apparently the Old Guard is not so sure of itself.

(See REPUBLICANS, Page A-4.)

Jobless Pay Extension Vinson Will Propose To Seven Million More 70-Group Air Force, Urged in Senate Study 837,000-Man Army

Advisers Propose Larger Social Security Benefits, Liberalized Coverage

OVERHAUL OF SOCIAL SECURITY program to be asked of 81st Congress. Page C-1.

By Francis P. Douglas

A program to extend unemployment insurance to 7,000,000 more workers and to provide larger benefits was recommended to Congress yesterday by the Senate Finance Committee's Advisory Council on Social Security.

The council said liberalization of unemployment compensation should take the form of:

1. More liberal eligibility requirements.
2. Higher benefit payments.
3. Payment of benefits over a longer period.

It recommended that the worker be taxed to support the expanded system as well as the employer who, in general, pays the entire tax now, although there are exceptions where employers also are assessed.

Duration Size Vary.

The average weekly unemployment compensation in 1947 was \$17.83. In the District it was \$16.46; in Maryland, \$18.07, and in Virginia, \$12.35.

The duration and size of payments vary among the states.

The advisory council, which has been studying the Social Security system for more than a year, was expert by Edward R. Stettinius, Jr., former Secretary of State and now director of the University of Virginia.

Sumner H. Slichter, Harvard economist, was associate chairman, and the council's staff was headed by Robert M. Ball, social security expert of the American Council on Education.

The number of workers covered by unemployment insurance was 32,600,000 last June. Increasing the coverage by 7,000,000 would bring under its provisions about 85 per cent of the total number employed by others.

15% Tax Rate Proposed.

The council proposes a minimum Federal tax rate of 15% of the covered wages and would raise the maximum of the wages covered from the present \$3,000 to \$4,200.

Half of the 15 per cent would be paid by the worker, half by the employer. Up to 80 per cent would be paid into State unemployment funds, giving them a minimum rate of 1.2 per cent.

Under the present law, the Federal tax is 3 per cent on payrolls of employers having eight or more workers. This can be offset up to 90 per cent by sums paid by employers under approved State laws, giving the States up to 2.70 per cent.

Actually the average rate is 1.2 per cent because employers are given reductions in the tax rate by reason of "favorable experience." That is, they lay off few workers, or few laid off collect unemployment compensation.

In the District the average unemployment compensation is \$16.46.

See SOCIAL SECURITY, Page A-5.

Israeli, Egyptian Warships Battle Near Tel Aviv

Bombardment of City Brings Threat of Attack on Cairo

By the Associated Press

TEL AVIV, Israel, Jan. 1.—A running naval battle was fought at New Year's dawn between Egyptian and Jewish warships off Tel Aviv, Israel announced today.

The battle, which was said here to have been inconclusive, was fought after the city was awakened at 2 a.m. by heavy naval fire and the buzz of planes. Officials said two Egyptian corvettes pumped shells at the blacked-out city for half an hour without causing any casualties or doing any damage.

Correspondents neither saw nor heard of any shells falling in the city.

(An Egyptian War Ministry communique issued in Cairo said Egyptian warships had been fired at by three Israeli ships, which were said to have been damaged and sunk.)

The communique reported an "exchange of fire continued along the Egyptian coast." It said that three Jewish planes were shot down by Egyptian anti-aircraft guns. Three other Israeli planes were hit and "were probably unable to return to their bases," the communique said. It also said that Egyptian planes strafed Israeli ships and inflicted heavy losses.

Attack on Cairo Threatened. An Israeli spokesman immediately threatened that if the Egyptians attacked Tel Aviv once more, either by sea or air, the Israeli navy or air force would retaliate against Cairo, the Egyptian capital. (The Israeli navy would have to steam up the Nile River to attack Cairo.)

In the present phase of fighting we have avoided attacks on areas of Egypt, but the battle zone, the spokesman told foreign reporters.

"But if after this action last night the Egyptians again attack Tel Aviv we shall take appropriate action in Egypt—on Cairo in particular."

The Israeli navy or air force, or both, would retaliate directly against Cairo.

The Egyptian ships apparently were five or six miles off Tel Aviv when they were awakened by the gunfire and air raid sirens. Most people, some of whom still were holding parties in their homes, assumed at first that an air raid was in progress.

Ships Spotted by Planes. The Israeli announcement said the Egyptian ships were spotted by planes and pursued by Israeli corvettes in a running battle. The announcement said the raiders escaped southward.

It was the first incident of its kind since about 6 months ago, when an Israeli corvette and planes drove off three Egyptian ships which approached to within sight of observers on the Tel Aviv waterfront.

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Truman Grants Full Recognition To U. S.-Backed Korean Regime

Quick American Troop Withdrawal Unlikely As Fear of Clash With Red Sector Remains

By the Associated Press

In his first official act of 1949, President Truman yesterday granted full recognition to the American-supported government in Southern Korea as the regime which ought to rule all that divided land.

Mr. Truman's move followed close on a Russian cold war maneuver which came with the end of 1948. The Moscow radio reported that Soviet troops had been pulled out of Northern Korea on Christmas.

The White House announcement gave new assurance of American backing for the administration of Dr. Syngman Rhee. But it held out no promise of peace, unity and goodwill in the nation which the Japanese occupied for 40 years and which Russia and the United States have wrangled over since the end of the war.

The political conditions which now exist in Korea make it almost inevitable that at some time—possibly in the near future—there should be major open clashes between the two sectors.

Northern Korea is now ruled by a Russian-sponsored government which has its capital at Pyongyang. The Communist regime has announced that this is provisional headquarters and that Seoul eventually will be the capital. It claims the right to rule the whole land.

President Rhee has the advantage of already having his capital at Seoul. He takes the view that Northern Korea should be brought into his administration. On that he has the backing not only of the United States, but also of the United Nations.

D. C. Expected to Get Opinion Easing Rules On Care of Indigents

Pauper Requirement For Hospitalization Due to Be Modified

By George Beveridge

Corporation Counsel Vernon E. West is expected to advise the Commissioners that a District resident does not have to be "an absolute pauper" to be eligible for hospital care at District expense as an indigent.

This, it was learned last night, is the gist of an opinion expected to reach the city heads within the next few days, regarding the disagreement over District responsibility for the medical care costs of the city's low-income residents.

The dispute involves chiefly nine private hospitals, which have contracts with the city for treating indigents who would be eligible for care at tax-supported Gallinger Hospital.

The Health Department has a family income scale by which it decides whether patients are eligible for free care—and for District payment of \$9 to the hospitals for each day of bed care they give. At present, the District won't pay for any patient who can pay anything at all toward his own bill.

A higher income scale, however, allows the same person—if he is a patient at Gallinger—to pay what is deemed reasonable for the care of his illness. The city stands the rest of the cost.

District Health Officer George C. Ruhland has asked the Commissioners to apply the Gallinger standards to the private hospitals. This would mean, chiefly, that city residents eligible for care at Gallinger also would be eligible for care at District expense if the private hospitals—providing they are emergency cases.

Less Restrictive Standards. The Corporation Counsel ruling, it was understood, tells the Commissioners that they can't pay for treatment of "semi-indigents" at the private hospitals. The term "semi-indigent" usually is construed to mean a person who is able to pay part, but not all, of his bill.

But the opinion does not prohibit the District from collecting part of the bill in private hospitals from "indigent" patients who can afford to pay something.

In other words, it was explained, officials feel the District should establish less restrictive income standards for "indigents" who would allow persons within those standards to get free care at private hospitals. But if some of those persons are able to pay some part of the bill, it should be collected.

The 1943 District Appropriations Act, according to officials, gave Gallinger Hospital specific authorization to treat "semi-indigent" patients on a part-pay basis. No such authorization was in the act this year which gave the city \$690,000.

(See HOSPITALS, Page A-4.)

Mobs in Denver Attack Queen Mary Is Driven Women in City's Wild Aground by Wind in New Year Celebration Leaving Cherbourg

Rioting Extends 8 Blocks; 2,000 Youths Battle Police in Miami Fray

By the Associated Press

DENVER, Jan. 1.—Rioting and mob rule prevailed in Denver's wild New Year's celebration. One mob formed in the downtown theater district as midnight shows ended. Crowds pushed up and down the main business thoroughfare. Women were assaulted and one was stripped nude. Shop windows were broken, traffic was snarled and at least one auto was overturned.

Police Sgt. Wally Lawless said the rioting started when a gang of teen-age boys and youths began grabbing girls and forcing them into doorways to kiss and molest them. "Escorts immediately began fighting."

Before police could restore any semblance of order the mob mania had spread over eight blocks to crowds of celebrants who previously had been orderly. Four wagon loads of debris were taken to city jail but later were released.

A second riot broke out on Curtis street, old theater center. Police said it started as a fight between two rival hoodlums, totaling more than 100 teen-agers, many wielding knives. Police said it was prearranged and part of a bitter rivalry. No one was hurt seriously and no arrests were made.

Sgt. Lawless called the rioting "the most insane and most dangerous exhibition of vandalism and lawlessness I ever have experienced."

Mob of 2,000 Youths Battles Miami Police

MIAMI, Fla., Jan. 1 (AP)—It took most of Miami's police force to disperse a mob estimated at 2,000 persons following the King Orange Jamboree parade last night.

Police Capt. John H. Webber said the mob set fire to long lines of crates and boxes left on downtown streets by parade watchers and then threw firecrackers into the burning piles when firemen arrived.

Walgreen's drug store bore the brunt of the crowd's fury when hundreds of youngsters jammed the store and looted counters of their merchandise.

Capt. Webber said patrolmen were reluctant to use forceful means to break up the mob, even though ring leaders threatened to overturn a patrol car and knocked a motorcycle patrolman to the pavement.

"It was fantastic," said Webber. "A mob of youngsters apparently unorganized but all intent on looting and fighting with police and firemen. It took us two hours to bring the situation under control."

New Honduran President

TEGUCIGALPA, Honduras, Jan. 1 (AP)—Juan Manuel Galvez, 51-year-old former war minister, today became president of Honduras for a six-year term.

There'll Be a D. C. Float After All—Back in the Unofficial Rear

PLEAS for inaugural ball invitation to Home Rule Committee and the trouble committee. Page A-17.

There's going to be a suffrage float, locked ballot box and all, but it won't take its place in the inaugural parade along with floats from the states and territories. It has to bring up the rear along with civic organizations.

This is the latest twist in the tangle over the kind of float to represent the District in the big inaugural parade January 20. Since the District Commissioners threw up their hands and refused to enter an "official" float, four suffrage-promoting groups and a number of individuals chipped in the \$1,000 necessary to float a float.

But it's not "official" enough to take its place with the States and territories. This despite the fact that many of the States will be represented by floats of civic groups within the States rather than by floats paid for by State money.

The groups sponsoring the float are the Truman-Barkeley Club of the District, the District Democratic Central Committee, the Washing-

2 Suffrage Bills Will Be Offered For D. C. Soon

Auchincloss Proposal Simplified; McCarran To Renew Proposal

By Don S. Warren

A double-barreled move to do something about the lack of suffrage in the national capital will be launched in the House and Senate this week after the 81st Congress organizes.

A simplified and shortened District home rule bill is scheduled to be dropped into the House hopper tomorrow by Representative Auchincloss, Republican, of New Jersey, 80th Congress chairman of the Home Rule Committee.

On the Senate side, Senator McCarran, Democrat, of Nevada, former chairman of the Senate District Committee and still interested in its work though no longer a member, will renew his proposal to create a Federal City Charter Commission, to start from scratch on the home rule issue.

Both proposals face dubious futures, in view of opposition by Southern Democrats and doubtful Republicans.

Hope Rests With McGrath. The possible selection of Senator McGrath, Democrat, of Rhode Island, chairman of the Democratic National Committee, as the new head of the Senate District Committee. He is chairing the proposal of Washington home rule.

Any positive move for granting the District even a partial control over its own affairs seems to rest with the Senate in the new Congress. Last year, it was otherwise. The Auchincloss plan for home rule weathered tests in the House District Committee and in the House Rules Committee only to fail of final action on the House floor due to opposition by conservative Southern Democrats.

The same "stone wall" opposition is present this year in the House District Committee—except that such members now are members of the majority party instead of the minority. They are headed by Representative McMillan, Democrat, of South Carolina, who is the new chairman of the House District Committee and Representatives Harris of Arkansas, Abernethy of Mississippi, and Smith of Virginia, all Democrats.

These members will find some support at least from Republican Representatives O'Hara of Minnesota, Bates of Massachusetts and Miller of Nebraska.

Senate Committee Changes. The Senate District Committee is to be substantially rebuilt as a result of new elections, retirements and other changes.

Senator Holland, Democrat, of Florida, is in line to be Chairman of the Senate District Committee but does not want it. In the past he has taken a broad liberal position that the District should have more say about its own affairs. He is under pressure from the more conservative Southerners to maintain the status quo.

Senator McGrath, coming from a northern and solid Democratic State, could add a whole new "mile" as to the granting of "democracy" for this area, his friends say.

This is a situation that portends a real fight over local suffrage in the Senate District Committee in the new Congress regardless of who is made chairman, since Senator McGrath has indicated he is quite willing to continue as a member of that body regardless of whether he is made its leader.

McCarran to Offer Bill. Senator McCarran said he would reintroduce his District Commission bill at the first opportunity.

His bill will call for the creation of a citizens' committee of 11 members to draft the terms of a proposed new city charter. Named as prospective members of the McCarran District Commission are the same civic leaders listed in his bill of several years standing:

John J. Blank, Lewis T. Breuninger, Renah F. Camaleri, Wilbur F. Finch, Woodley W. Hall, Jesse B. Manbeck, Joseph C. McCarrahy, Mrs. Louis C. Ottenberg, Mrs. Gertrude Parks, Mrs. Charles H. Weston, and Joseph J. Malloy.

Auchincloss Proposals. Should the Auchincloss plan, or any reasonable facsimile thereof, be approved by the new Congress, the first positive indication of suffrage would be demonstrated next summer. Under the revised plan, registration of eligible voters would

(See HOME RULE, Page A-3.)

Recalled U. S. Diplomats Depart From Bucharest

By the Associated Press

BUCHAREST, Romania, Jan. 1.—Two American diplomats whose recall was asked by the Romanian government last November left Bucharest by train tonight.

They are Col. John R. Lovell, military attaché at the American Legation here, and Henry P. Leverich, veteran foreign service officer and counselor of the Bucharest Legation.

In requesting their recall, along with that of two British diplomats, the Romanian government declared the men had conspired with "spies and saboteurs."

The United States called this ridiculous and retaliated by asking Romania to recall two of its envoys assigned to Washington.

Business and Financial Review

The Star's Business and Financial Review appears today. It consists of a summary of prices of stocks and bonds, prices of 1948 and 1949 national and local roundups in the fields of business, industry and finance.

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